

VALLEY MALL MANOR
94 GLENBROOK AVENUE
WATERBURY, CT 06705

July 1, 2006

Dear Resident:

Valley Mall Manor Associates, the Owner of Valley Mall Manor has decided to sell this property and, as part of that sale, to pay back (or terminate) the loan for this property which we received with the help of the Federal Government. Section 8-68c of the Connecticut General Statutes requires that owners provide at least a one-year notice to the Commissioner of the Connecticut Department of Economic and Community Development, the State or local government, and to each tenant of our intent to prepay or terminate our mortgage. This letter meets that requirement by notifying you that we intend to prepay or terminate our mortgage held or insured by HUD effective on July 2, 2007.

You will receive a second notice of our intent to prepay the loan. Section 219 (1) (b) (3) of the Fiscal Year 1999 Appropriations Act requires that the owner provide at least a 150-day (but not more than 270 days) notice to the Department of Housing and Urban Development (HUD), the State or local government, and to each tenant of our intent to prepay or terminate our mortgage. That notice will be sent to you on February 1, 2007.

Prepayment of the mortgage could result in an increase in rent. It does **not** necessarily mean that your portion of the rent will go up. If you are living in your unit on the date that we prepay the mortgage, and are income eligible, you may be eligible to receive an enhanced rental voucher. The enhanced voucher may enable you to continue living here paying only the greater of your same gross rent or 30% of your monthly adjusted income for rent, or you may use the housing voucher to move to another eligible unit of your choosing. In order to stay in your current unit with enhanced voucher assistance, the Public Housing Authority must determine that; 1) the rent for the unit is reasonable, 2) you are in the appropriate size unit, and 3) the unit meets the housing quality standard of the housing voucher program.

We have notified HUD of our intent to prepay or terminate our mortgage. Within the next two months you should receive an information packet from HUD detailing tenant protections and the options available to you. In addition, we and the prospective new owner intend to hold meetings at which you will be able to ask any questions you may have.

If you have any questions, please call Cathy Murray of HUD at (860) 240-4800 ext. 3061.

Sincerely,
VALLEY MALL MANOR ASSOCIATES

By: 
Linda LeBrun
A Partner, Duly Authorized

Cc: James F. Abromaitis, Commissioner, Connecticut Department
of Economic and Community Development
Michael J. Jarjura, Mayor, City of Waterbury